


# PERMIT TO CONSTRUCT AN AIR CONTAMINANT SOURCE

	<b>Lincoln-Lancaster County Health Department</b> Environmental Public Health Division Air Quality Program 3131 O Street Lincoln, Nebraska 68510 Phone: (402) 441-8040      Fax: (402) 441-3890	<b>Patricia D. Lopez, RN, MSN</b> Health Director  <b>Scott Holmes, REHS, MS</b> Environmental Public Health Division Manager  <b>Gary R. Bergstrom, Jr.</b> Air Quality Program Supervisor
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<b>LLCHD Air Quality Program Source Number:</b>	<b>00403</b>
<b>LLCHD Air Quality Program Construction Permit Number:</b>	<b>201A</b>
<b>Effective Date of Permit:</b>	<b>XX – XX – 2022</b> <small>MM – DD – YYYY</small>

**A Permit to Construct / Reconstruct / Modify an Air Contaminant Source is Hereby Issued to:**

Permit Holder Name:	<b>District Energy Corporation</b>
Address:	<b>9445 Rokeby Rd.</b>
City, State, ZIP:	<b>Lincoln, Nebraska 68526</b>

**This Construction / Reconstruction / Modification Permit is Issued to the Following Source:**

Facility Site Name:	<b>DEC Nebraska State Penitentiary Thermal Facility</b>
Facility Location:	<b>815 Pioneers Boulevard</b>
City, County, State, ZIP:	<b>Lincoln, Lancaster County, Nebraska 68502</b>
Facility NAICS:	<b>221330: Steam and Air-Conditioning Supply</b>

**Environmental Public Health Division / Air Quality Program Recommendation:**

<b>Permit Writer:</b>	<input type="checkbox"/> Approve Issuance <input type="checkbox"/> Deny Issuance	<small>PERMIT WRITER APPROVAL</small>
<b>Air Quality Program Supervisor:</b>	<input type="checkbox"/> Approve Issuance <input type="checkbox"/> Deny Issuance	<small>SUPERVISOR APPROVAL</small>
<b>Environmental Public Health Division Manager:</b>	<input type="checkbox"/> Approve Issuance <input type="checkbox"/> Deny Issuance	<small>MANAGER APPROVAL</small>

**Health Director / Air Pollution Control Officer Authorization:**

*Pursuant to the delegation contract signed by the Director of the Nebraska Department of Environmental Quality (NDEQ) on April 1, 1986, the undersigned hereby executes this document on behalf of the Director of the NDEQ.*

<p><b><u>ACTION TAKEN:</u></b></p> <p><input type="checkbox"/> Approve Issuance</p> <p><input type="checkbox"/> Deny Issuance</p>	<p>_____</p> <p><b>Date</b></p>	<p>_____</p> <p><b>Patricia D. Lopez, RN, MSN</b> Health Director</p>
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**Permitted Emission Units:**

This construction permit allows for installation and operation of the following emission unit(s):

Emission Unit (EU) #	SCC Code Number	Emission Point Description	Maximum Rated Capacity	Emission Segment Description
1-1	1-03-006-02	Dual Fuel Watertube Boiler	450 BHP 18.844 MMBtu/hr	Natural Gas
1-2	1-03-005-02		450 BHP 132 gal/hr	Distillate Oil (#1 or #2)
2-1	1-03-006-02	Dual Fuel Watertube Boiler	450BHP 18.844 MMBtu/hr	Natural Gas
2-2	1-03-005-02		450 BHP 132 gal/hr	Distillate Oil (#1 or #2)
3-1	1-03-006-02	Dual Fuel Watertube Boiler	450 BHP 18.844 MMBtu/hr	Natural Gas
3-2	1-03-005-02		450 BHP 132 gal/hr	Distillate Oil (#1 or #2)
4-1	1-03-006-02	Dual Fuel Watertube Boiler	450BHP 18.844 MMBtu/hr	Natural Gas
4-2	1-03-005-02		450 BHP 132 gal/hr	Distillate Oil (#1 or #2)
5-1	3-85-001-01	Cooling Tower	2,450 gpm	Water Circulation Rate
5-2	3-85-001-01	Cooling Tower	2,450 gpm	
6-1	2-02-004-01	Emergency Generator	2,206 HP	Diesel
7-1	2-02-004-01	Emergency Generator	2,206 HP	Diesel
8-1	2-02-004-01	Emergency Generator	2,206 HP	Diesel
9-1	-	Underground Storage Tank	10,000 gal	Distillate Oil No. 2
10-1	-	Underground Storage Tank	10,000 gal	Distillate Oil No. 2
11-1	-	Aboveground Storage Tank	500 gal	Distillate Oil No. 2
12-1	-	Aboveground Storage Tank	199 gal	Distillate Oil No. 2
13-1	-	Aboveground Storage Tank	199 gal	Distillate Oil No. 2
14-1	-	Aboveground Storage Tank	199 gal	Distillate Oil No. 2
15-1	-	Electric Centrifugal Chiller	-	Fugitive GHG & HAP
15-2	-	Electric Centrifugal Chiller	-	Fugitive GHG & HAP
16-1	-	Haul Roads	-	Fugitive Dust

\* gal = gallon; BHP = boiler horsepower; gpm = gallon per minute

\* All watertube boilers are 2018 vapor power international model series MRG-5907.

**Introduction – Source Description**

District Energy Corporation (hereinafter referred to as 'DEC' or 'the source') requested an air quality construction permit modification for the thermal energy plant located at 815 Pioneers Boulevard in Lincoln, Nebraska. The thermal energy plant is known as the DEC Nebraska State Penitentiary Thermal Facility (NSPTF). NSPTF provides heating (in the form of steam) and cooling (in the form of chilled water) and backup electrical service to Nebraska State Penitentiary (NSP); in addition to providing steam to laundry operations. NSP is a separate facility under different ownership.

### **Description of Permitting Action**

This Construction Permit modifies regulatory applicability for the source to incorporate 40 CFR Part 63, Subpart JJJJJ for the boiler emission units identified in this permit. Company and facility addresses are also being amended with issuance of this permit.

This permit is issued in accordance with the applicable provisions of Article 2, Section 17 of the Lincoln-Lancaster County Air Pollution Control Program Regulations and Standards (LLCAPCPRS), as well as all other applicable provisions of the LLCAPCPRS. Issuance of this permit allows for installation/operation of the 'Permitted Emission Units' provided above. Compliance with this permit shall not be a defense to any enforcement action for violation of an ambient air quality standard.

### **Source Regulatory Classification**

- Potential emissions from the facility are below the major stationary source thresholds under the Prevention of Significant Deterioration (PSD) of Air Quality Program.
- This construction permit establishes federally enforceable requirements limiting the 'potential to emit' of permitted emission units below the Class I source operating permit thresholds as identified in LLCAPCPRS Article 2, Section 5, paragraph (A)(2)(a).
- The 'Permitted Emission Units' covered by this permit identified in the table below will be subject to the New Source Performance Standards (NSPS) set forth in Title 40, Part 60 of the Code of Federal Regulations (40 CFR 60) as identified in LLCAPCPRS Article 2, Section 18, paragraph (A) and (B).

Emission Units (EU) #	Emission Point Description	NSPS Applicability	NSPS Applicability Description
1-1 / 1-2 2-1 / 2-2 3-1 / 3-2 4-1 / 4-2	Boiler	40 CFR 60, Subpart Dc	Standards of Performance for Small Industrial-Commercial Institutional Steam Generating Units
6-1 7-1 8-1	Emergency Generator	40 CFR 60, Subpart IIII	Standards of Performance for Stationary Compression Ignition Internal Combustion Engines

The source is subject to all applicable NSPS subparts and its requirements whether or not they are identified in this permit or in LLCAPCPRS Article 2.

- The facility is considered an 'Area Source' of hazardous air pollutants (HAPs). The 'Permitted Emission Units' covered by this permit identified in the table below will be subject to the National Emissions Standards for Hazardous Air Pollutants for Source Categories (also known as the Maximum Achievable Control Technology (MACT) Emissions Standard) requirements set forth in Title 40, Part 63 of the Code of Federal Regulations (40 CFR 63) as identified in LLCAPCPRS Article 2, Section 28.

Emission Units (EU) #	Emission Point Description	NESHAP Applicability	NESHAP Applicability Description
1-1 / 1-2 2-1 / 2-2 3-1 / 3-2 4-1 / 4-2	Boiler	40 CFR 63, Subpart JJJJJ	National Emissions Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers Area Sources
6-1 7-1 8-1	Emergency Generator	40 CFR 63, Subpart ZZZZ	National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines

The source is subject to all applicable NESHAP subparts and its requirements whether or not they are identified in this permit or in LLCAPCPRS Article 2.

- This facility is classified as a Class II minor source under the operating permit program as identified in LLCAPCPRS Article 2, Section 5, paragraph A as of the date of the issuance of this permit, and is required to submit a timely application in accordance with LLCAPCPRS Article 2, Section 7 (*an operating permit application was submitted by the source dated July 1, 2020*).

### **Public Participation**

- Pursuant to Article 2, Section 14 of the LLCAPCPRS, the public has been notified by prominent advertisement of this permit that approves the construction of an air contaminant source. The thirty (30) day comment period has elapsed, and any/all comments received have been addressed.

### **Permitting Authority**

- The permitting authority for this project is the Air Quality Program in the Environmental Public Health Division of the Lincoln-Lancaster County Health Department (LLCHD). All documents related to applications for permits to construct or operate an emissions unit shall be submitted to the LLCHD at the following address.  
Lincoln-Lancaster County Health Department  
c/o Air Quality Program  
3131 'O' Street  
Lincoln, NE 68510

### **Compliance Authorities**

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| • All documents related to compliance activities such as reports, tests, and notifications shall be <u>submitted to the following:</u><br>Lincoln-Lancaster County Health Department<br>c/o Air Quality Program<br>3131 'O' Street<br>Lincoln, NE 68510 | • If required or requested by the EPA, the owner/operator shall submit reports, tests, <u>and/or notifications to the following:</u><br>US EPA Region 7<br>APCO—Nebraska Air Compliance Coordinator<br>11201 Renner Blvd.<br>Lenexa, KS 66219 |
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### **Definitions**

- Unless otherwise defined, or a different meaning is clearly required by context, the words and phrases, as used in this permit, the LLCAPCPRS, and the related appendices shall have the meanings set forth in LLCAPCPRS Article 2, Section 1 (Definitions).

## **PERMIT CONDITIONS**

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**Regulations:**

- I. Applicable and Non-Applicable Regulations & Requirements.  
 (A) The following sections (§) of the LLCAPCPRS are applicable requirements of this permit:

**Table 1-A: Applicable Regulations of the LLCAPCPRS**

<b>Article 1: Administration and Enforcement</b>	
§1	Intent
§2	Unlawful Acts – Permits Required
§3	Violations – Hearings – Orders
§4	Appeal Procedure
§5	Variance
§6	Fees
§7	Compliance – Actions to Enforce – Penalties for Non-Compliance
§8	Procedure for Abatement
§9	Severability
<b>Article 2: Regulations and Standards</b>	
§1	Definitions
§4	Ambient Air Quality Standards
§6	Emissions Reporting – When Required
§14	Permits – Public Participation
§15	Permit Modifications – Reopening for Cause
§16	Stack Heights – Good Engineering Practice (GEP)
§17	Construction Permits – When Required
§18	New Source Performance Standards (NSPS)
§20	Particulate Limitations and Standards
§24	Sulfur Compound Emissions – Existing Sources – Emission Standards
§28	Hazardous Air Pollutants – MACT Emission Standards
§29	Operating and Construction Permit Emission Fees
§32	Dust – Duty to Prevent Escape Of
§33	Compliance – Time Schedule For
§34	Emission Sources – Testing – Monitoring
§35	Compliance – Exceptions Due to Startup Shutdown or Malfunction
§36	Control Regulations – Circumvention – When Excepted
§37	Compliance – Responsibility of Owner/Operator Pending Review by Director
§38	Emergency Episodes – Occurrence and Control – Contingency Plans
<b>Appendices</b>	
I	Emergency Emission Reduction Regulations
II & III	Hazardous Air Pollutants (HAPs)

- (B) The following sections of the Lincoln Municipal Code (LMC) apply to this source:

**Table 1-B: Applicable Lincoln Municipal Code (LMC) Chapter(s)**

<b>Chapter</b>	<b>Chapter Title</b>
8.06	Air Pollution

- (C) The following Federal Regulations are applicable requirements of this permit.

**Table 1-C: Applicable Federal Regulations**

<b>40 CFR Part 60: NSPS</b>	
<i>Subpart</i>	<i>Subpart Title</i>
A	General Provisions
Dc	Standards of Performance for Small Industrial-Commercial Institutional Steam Generating Units
III	Standards of Performance for Stationary Compression Ignition Internal Combustion Engines
<b>40 CFR Part 63: Source Category NESHAPs</b>	
<i>Subpart</i>	<i>Subpart Title</i>
A	General Provisions
ZZZZ	National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines
JJJJJ	National Emissions Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers Area Sources

- (D) The following sections of the LLCAPCPRS are not applicable requirements of this permit. After permit issuance, any modification(s) to the source may trigger applicability to any of the sections identified below:

**Table 1-D: Non-Applicable Regulations of the LLCAPCPRS**

<b>Article 2: Regulations and Standards</b>	
§2	Major Sources – Defined
§5	Operating Permits – When Required
§7	Operating Permits – Application
§8	Operating Permits – Content
§9	General Operating Permits for Class I and II Sources
§10	Operating Pmts. for Temp. Sources & Notification of Relocation of Port. Equip.
§11	Emergency Operating Permits – Defense
§12	Operating Permit Renewal and Expiration
§13	Class I Operating Permit – EPA Review – Affected States Review
§19	Prevention of Significant Deterioration (PSD) of Air Quality
§21	Compliance Assurance Monitoring (CAM)
§22	Incinerator Emission Standards
§23	Hazardous Air Pollutants – Emission Standards
§25	Nitrogen Oxides – Emissions Standards for Existing Stationary Sources
§26	Acid Rain
§27	Hazardous Air Pollutants – Maximum Achievable Control Technology (MACT)
§3, §30, §31	Reserved

- (E) The following Federal Regulations are not applicable requirements of this permit:

**Table 1-E: Non-Applicable Federal Regulations**

Regulation	Non-Applicable Subparts, Section(s), or Appendix
40 CFR Part 51	Appendix S: Emission Offset Interpretive Ruling
40 CFR Part 52	Subpart A §52.21: Prevention of Significant Deterioration of Air Quality
40 CFR Part 60	All subparts, except those listed as applicable in Table 1-C at the time of permit issuance
40 CFR Part 61	Entire rule is non-applicable at the time of permit issuance
40 CFR Part 63	All subparts, except those listed as applicable in Table 1-C at the time of permit issuance
40 CFR Part 64	Entire rule is non-applicable at the time of permit issuance
40 CFR Part 68	Entire rule is non-applicable at the time of permit issuance
40 CFR Part 98	Entire rule is non-applicable at the time of permit issuance

**General Conditions:**

- II. In accordance with paragraph (C) of LLCAPCPRS Article 1, Section 2 (Unlawful Acts – Permits Required), it is unlawful to:
- (A) Construct or operate an air pollution source without first obtaining a permit required under the LLCAPCPRS;
  - (B) Violate any term or condition of this permit or any emission limit set in this permit; or
  - (C) Violate any emission limit or standard established in the LLCAPCPRS.
- III. Violations, hearings, and orders shall be conducted in accordance with LLCAPCPRS Article 1, Section 3 (Violations – Hearings – Orders).
- IV. Appeals shall be conducted in accordance with LLCAPCPRS Article 1, Section 4 (Appeal Procedure).
- V. In accordance with LLCAPCPRS Article 1, Section 5 (Variance), any person who owns or is in control of any plant, building, structure, process, or equipment may apply to the Director for a variance from rules or regulations. Any person who is applying for, or has obtained a variance must comply with all applicable requirements of Article 1, Section 5 of the LLCAPCPRS.
- VI. The following provisions of LLCAPCPRS Article 1, Section 6 (Fees) are applicable requirements of this permit:
- (A) Paragraph (A) – In accordance with paragraph (A)(1) of Section 6, any person who owns or operates a source as defined in Article 2, Section 1 of the LLCAPCPRS and is required to obtain a Class I or Class II operating permit in accordance with Article 2, Section 5 of the LLCAPCPRS, or is required to obtain a construction permit in accordance with Article 2, Section 17 of the LLCAPCPRS, must pay annual emission fees as specified in paragraph (A) of Section 6.
  - (B) Paragraph (D) – In accordance with paragraph (D)(1) of Section 6, any person or source required to obtain a construction permit under Article 2, Section 17 (with the exception of a construction permit obtained in accordance with Article 2, Section 17, paragraph (O)) shall pay a permit fee for activities included under paragraphs (D)(1)(a) through (D)(1)(f) of Section 6. The permit fee shall be charged at the rate specified in paragraph (D)(1) of Section 6. Any person required to submit fees pursuant to Section 6 shall submit the fees to the Director of the Department by check or other authorized transfer payable to the Lincoln-Lancaster County Health Department. The fees shall be due and payable within thirty (30) days after issuance of the permit.
  - (C) Paragraph (H) – All money collected from the fees, provided for herein, shall be payable to the Lincoln-Lancaster County Health Department and shall be credited to the Air Pollution Control Fund.

- VII. The following provisions of LLCAPCPRS Article 1, Section 7 (Compliance – Actions to Enforce – Penalties for Non-Compliance) are applicable requirements of this permit:
- (A) Paragraph (A) – The County Attorney or Attorney General may institute enforcement proceedings pursuant to Neb. Rev. Stat., §81-1504(23) Neb. Rev. Stat. §81-1508(4), or Nebr. Rev. Stat. §81-1528(2) against any person who fails to comply with the requirements of the LLCAPCPRS. Nothing in the LLCAPCPRS shall preclude the control of air pollution by resolution, ordinance, or rule, regulation, or standard not in actual conflict with the state air pollution control regulations. (Ref: Neb. Rev. Stat. §71-1631(15))
  - (B) Paragraph (B) – Any person who fails to comply with the requirements of the LLCAPCPRS or who fails to perform any duty imposed by the LLCAPCPRS shall be subject to a civil penalty of not more than ten thousand dollars (\$10,000) per day per violation.
  - (C) Paragraph (C) – Any person who knowingly and willfully fails to comply with the requirements of the LLCAPCPRS or who knowingly and willfully fails to perform any duty imposed by the LLCAPCPRS shall be subject to felony prosecution under Neb. Rev. Stat. §81-1508(f) including a fine of not more than ten thousand dollars (\$10,000) per day per violation, and up to a maximum six (6) month term of imprisonment.
  - (D) Paragraph (D) – Enforcement proceedings may include injunctive relief in court to restrain any violation that creates an imminent and substantial endangerment to the public health or to the environment.
- VIII. In accordance with LLCAPCPRS Article 1, Section 8 (Procedure for Abatement), if the Director has determined a violation of the Air Pollution Control Program after any hearing required hereunder or if the Director has probable cause to believe a violation has occurred, the Director shall refer the matter to the County Attorney.
- IX. In accordance with LLCAPCPRS Article 1, Section 9 (Severability), if any clause, paragraph, or section of the LLCAPCPRS shall be held invalid, it shall be conclusively presumed that the City and County would have enacted the remainder of the LLCAPCPRS not directly related to such clause, paragraph, or section.
- X. The owner/operator shall maintain compliance with the requirements set forth in LLCAPCPRS Article 2, Section 4 (Ambient Air Quality Standards).
- XI. In accordance with LLCAPCPRS Article 2, Section 6 (Emissions Reporting – When Required), the owner/operator shall submit completed emission inventory forms for the preceding calendar year to the Department by March 31 of each year. The inventory shall include all emissions associated with the emission units for which this permit is issued. The inventory form shall be certified in accordance with LLCAPCPRS Article 2, Section 7, paragraph (H).
- XII. The following provisions of LLCAPCPRS Article 2, Section 15 (Permit Modifications – Reopening For Cause) are applicable requirements of this permit:
- (A) Paragraph (C)(2) – Subject to the approval of the Director, the terms of a construction permit may be modified without public review through the substitution of alternative provisions, provided the following conditions are met:
    - (1) No emission limit in the original construction permit is exceeded;
    - (2) No applicable requirement included in an operating permit to which the source is subject is violated;
    - (3) No emissions limit, equipment or operational standard applicable to the source will be exceeded;
    - (4) No emissions limit, equipment or operational standard assumed to avoid a classification that would render the source subject to an otherwise applicable requirement will be exceeded; and
    - (5) The nature of the constructed facility will be consistent with that described in the original public notice materials.



- (B) Paragraph (G) – The owner/operator may make changes to a permitted facility without a permit revision if the change is not a modification under LLCAPCPRS Article 2, Sections 18, 23, 27, or 28, the change does not require a construction permit under LLCAPCPRS Article 2, Sections 17 or 19, and the change is allowed under the applicable provisions of paragraphs (G)(1) or (G)(2) of Section 15.
  - (C) Paragraph (H) – No permit revisions shall be required under any State-approved programs providing for economic incentives, marketable permits, emissions trading or other similar programs or processed for changes that are provided for in the permit.
- XIII. In accordance with paragraph (A) of LLCAPCPRS Article 2, Section 16 (Stack Heights – Good Engineering Practice), the degree of emissions limitation required of any source for control of any air pollutant shall not be affected by so much of any source's stack height that exceeds good engineering practice or by any other dispersion technique, except as provided in paragraph (B) of Section 16.
- XIV. The following provisions of LLCAPCPRS Article 2, Section 17 (Construction Permits – When Required) are applicable requirements of this permit:
- (A) Paragraph (A) – No person shall cause the construction, reconstruction, or modification of any source specified in paragraphs (A)(1)-(4) of Section 17 without first having obtained a construction permit from the Department in the manner prescribed by the LLCAPCPRS.
  - (B) Paragraph (C) – The owner or operator of any source required to obtain a construction permit under the LLCAPCPRS shall submit an application on forms provided by the Department.
  - (C) Paragraph (L) – Approval to construct, reconstruct and/or modify the source will become invalid if a continuous program of construction is not commenced within eighteen (18) months after the date of issuance of the construction permit; if construction is discontinued for a period of eighteen (18) months or more; or if construction is not completed within a reasonable period of time. The conditions set forth in this permit shall remain applicable requirements until such time that all permitted emission units are removed from the source, or until the owner/operator requests that the permit be nullified and all permitted emission units are rendered inoperable.
  - (D) Paragraph (N) – Modification of the Construction Permit. The purpose of this section is to provide a means to address unforeseen situations which may develop in the process of constructing or modifying an emission source subject to this section. Modification of the construction permit shall be performed as follows:
    - (1) Subject to the approval of the Director, the terms of a construction permit may be modified without public review through the substitution of alternative provisions, provided the conditions set forth in Condition XII(A) of this permit are met.
    - (2) Modifications meeting the conditions of Condition XII(A) of this permit shall be processed as follows:
      - (a) The owner or operator shall submit a request for modification of a construction permit as provided in LLCAPCPRS Article 2, Section 15, paragraph (C)(3) and provide such additional information as may be required to determine if the conditions of Condition XII(A) of this permit have been met;
      - (b) The Department shall review the request and determine whether or not a modification of the construction permit is required. The applicant shall not proceed with the project until a determination is made by the Director.
    - (3) Proposed modifications to a construction permit which do not meet the conditions of Condition XII(A) of this permit must be processed through the full construction permit process as provided in paragraphs (C) through (M) of Section 17.
- XV. The following provisions of LLCAPCPRS Article 2, Section 20 (Particulate Limitations and Standards) are applicable requirements of this permit:

- (A) Paragraph (A) – The owner/operator shall limit the emissions of particulates from any processing machine, equipment, device or other articles, or any combination thereof to no greater than the amounts set forth in Table 20-2 of Section 20 during any one (1) hour.
  - (B) Paragraph (B) – The owner/operator shall limit the emissions of particulate matter caused by the combustion of fuel in accordance with the limits set forth in Table 20-1 of Section 20, as they apply based on heat input rating.
  - (C) Paragraph (E) – The owner/operator shall not cause or allow emissions from any emission point that are of opacity equal to or greater than twenty percent (20%), as evaluated by Method 9 in Appendix A of 40 CFR 60, or recorded by a continuous opacity monitoring system operated and maintained pursuant to 40 CFR Part 60 Appendix B, except as provided for in paragraph (D) of this condition.
  - (D) Paragraph (F) – Emission sources subject to monitoring requirements of Article 2, Section 34, paragraph (E) of LLCAPCPRS are allowed to have one six-minute period per hour of not more than twenty-seven percent (27%) opacity. For the purpose of this permit, this exception applies to any unit equipped with a continuous opacity monitoring system (COMS) installed, calibrated, and operated in accordance with the procedures specified in 40 CFR Part 60 Appendix B.
- XVI. In accordance with paragraph (A) of LLCAPCPRS Article 2, Section 24 (Sulfur Compound Emissions – Existing Sources – Emission Standards), the owner/operator shall not cause or allow emissions of sulfur oxides from any fossil fuel burning equipment in excess of two and one-half pounds per million British thermal units (2.5 lbs/MMBtu) input, maximum two (2) hour average.
- XVII. The following provisions of LLCAPCPRS Article 2, Section 32 (Dust – Duty to Prevent Escape Of) are applicable requirements of this permit:
- (A) Paragraph (A) – The source shall not cause or permit fugitive particulate matter to become airborne in such quantities and concentrations that it remains visible in the ambient air beyond the premise where it originates.
  - (B) Paragraph (B) – The source shall not cause or permit a road, driveway, or open area to be used without applying all such reasonable measures to prevent particulate matter from becoming airborne so that it remains visible beyond the premises where it originates. Such reasonable measures include, but are not limited to: paving or frequent cleaning of roads, driveways, and parking lots; application of water or chemical dust suppressants; and the planting and maintenance of vegetative ground cover.
- XVIII. The following provisions of LLCAPCPRS Article 2, Section 33 (Compliance – Time Schedule For) are applicable requirements of this permit:
- (A) Paragraph (A) – Except as otherwise noted in specific emission control regulations, compliance with the LLCAPCPRS shall be according to the schedule provided under paragraphs (A)(1)-(3) of Section 33.
  - (B) Paragraph (B) – Compliance schedules requiring more than twelve (12) months to conform with applicable rules and regulations to meet National Primary and Secondary Ambient Air Quality Standards will be accomplished in progressive steps. A report will be made in writing to the Director within five (5) days after each step is completed.
  - (C) Paragraph (C) – Failure to meet time schedules approved in accordance with paragraphs (A)(1)-(2) of Section 33 shall constitute a violation of the LLCAPCPRS unless a request to amend the time schedule is received at least thirty (30) days before the end of any specified period approved for a particular activity. Such a request to amend the schedule shall contain the same type of information as required for the initial request for variance as described in paragraph (A)(3) of Section 33.
- XIX. The following provisions of LLCAPCPRS Article 2, Section 34 (Emission Sources – Testing and Monitoring) are applicable requirements of this permit:

- (A) Paragraph (A) – The Department may require any person responsible for the operation of an emission source to make or have tests made to determine the rate of contaminant emissions from the source whenever it has reason to believe, on the basis of estimates of potential contaminant emissions rates from the source and due consideration of probable efficiency of any existing control device, or visible emission determinations made by an official observer, that existing emissions exceed the limitations required in the LLCAPCPRS. Such tests may also be required pursuant to verifying that any newly installed control device meets performance specifications. Should the Department determine that the test did not represent normal operating conditions or emissions, additional tests may be required. Such a requirement shall be considered as an order and subject to all administrative and legal requirements specified.
- (B) Paragraph (B) – Required tests shall be conducted in accordance the test methods and procedures established in paragraphs (B)(1)-(7) of Section 34.
- (C) Paragraph (C) – The owner or operator of a source shall provide notice to the Department at least thirty (30) days prior to testing to afford the Department an opportunity to have an observer present. The Department may, in writing, approve a notice of less than thirty (30) days. If the testing is pursuant to an underlying requirement contained in a federal rule, the notice provisions of the underlying requirement shall apply.
- (D) Paragraph (F) – The Director may require the owner or operator of any other emission source which is subject to the provisions of these regulations to install, use and maintain such stationary monitoring equipment as is required to demonstrate continuing compliance with any applicable emissions limitations, and to maintain records and make reports regarding such measured emissions to the Department in a manner and on a schedule to be determined by the Director.
- (E) Paragraph (H) – Notwithstanding any other provisions of LLCAPCPRS, the following methods may be used to determine compliance with applicable requirements:
  - (1) A monitoring method approved for the source and incorporated in an operating permit pursuant to LLCAPCPRS Article 2, Section 8;
  - (2) Any compliance test method specified in the State Implementation Plan (SIP);
  - (3) Any test or monitoring method approved for the source in a permit issued pursuant to LLCAPCPRS Article 2, Sections 17, 19, or 27;
  - (4) Any test or monitoring method provided for in the LLCAPCPRS; or
  - (5) Any other test, monitoring, or information gathering method that produces information comparable to that produced by any method described in paragraphs (1) through (4) of this condition.

XX. The following provisions of LLCAPCPRS Article 2, Section 35 (Compliance – Exceptions Due to Startup, Shutdown, or Malfunction) are applicable requirements of this permit:

- (A) Paragraph (A) – Upon receipt of a notice of excess emissions issued by the Department, the owner/operator may provide information showing that the excess emissions were the result of a malfunction, start-up, or shutdown.
- (B) Paragraph (B) – The information provided by the source operator under paragraph (A) of this condition shall include, at a minimum, the information specified in paragraphs (B)(1)-(9) of Section 35.
- (C) Paragraph (C) – The owner/operator shall submit the information specified in paragraph (B) of this condition no later than fifteen (15) days after receipt of the notice of excess emissions.
- (D) Paragraph (D) – The owner/operator shall notify the Director, in writing, whenever a planned start-up or shut down may result in excess emissions. This notice shall be mailed, no later than ten (10) days prior to such action and shall include, but not be limited to, the information specified in paragraphs (D)(1)-(10) of Section 35.

- (E) Paragraph (E) – The owner/operator shall notify the Director, in writing, whenever emissions due to malfunctions, unplanned shutdowns or ensuing start-ups are, or may be, in excess of applicable emission control regulations for one hour or more. Such notification shall be mailed within forty-eight (48) hours of the beginning of each period of excess emissions and shall include, but not be limited to, the information required in paragraph (D) of Section 35.
- XXI. In accordance with LLCAPCPRS Article 2, Section 37 (Compliance – Responsibility of Owner/Operator Pending Review by Director), application for review of plans or advice furnished by the Director will not relieve the owner or operator of a new or modified stationary source of legal compliance with any provision of the LLCAPCPRS, or prevent the Director from enforcing or implementing any provision of the LLCAPCPRS.
- XXII. In accordance with LLCAPCPRS Article 2, Section 38 (Emergency Episodes – Occurrence and Control: Contingency Plans), if and when the Director declares an air pollution emergency episode as defined in Section 38, the source shall immediately take all applicable required actions listed in LLCAPCPRS Appendix I until the Director declares the air pollution episode terminated.
- XXIII. In accordance with Lincoln Municipal Code (LMC) Section 8.06.030, upon presentation of credentials and other documents as may be required by law, the owner/operator shall allow the LLCHD or an authorized representative to perform the following:
- (A) Enter and inspect or cause to be inspected, during reasonable hours, any building, facility, or place, except a building designed for and used exclusively for a private residence, as the Director deems necessary to determine compliance with the provisions of the LLCAPCPRS and to require the submission of air contaminant emission information in connection with such inspections, tests, and studies.
  - (B) Have access to existing and available records relating to emissions or discharges, which cause or contribute to air pollution or the monitoring of such emissions or discharges;
  - (C) Issue, modify, or revoke orders prohibiting or abating discharges of air pollutants, or requiring the construction of control systems or any parts thereof or the modification, extension, or adoption of other remedial measures to prevent, control, or abate air pollution.
  - (D) Conduct tests and take samples of air contaminants, fuel, process materials, or any other substance which affects or may affect discharges or emissions of air contaminants from any source, giving the owner or operator a receipt for the sample obtained.
  - (E) Issue, continue in effect, revoke, modify, or deny permits, under such conditions as the Director may prescribe and consistent with the Clean Air Act and the LLCAPCPRS.

**Specific Conditions:**

- XXIV. This permit authorizes the owner/operator to install and operate the 'Permitted Emission Units' in accordance with the following provisions:
- (A) This permit authorizes construction and operation of the 'Permitted Emission Units' in a manner that is consistent with the approved application dated **July 9, 2018** (which includes an application amendment dated December 18, 2018). Prior to modification(s) to any of the 'Permitted Emission Units', and/or prior to any change(s) in the method of operation of any of the 'Permitted Emission Units', the owner/operator shall determine what impact, if any, the proposed modification(s) or change(s) have on the potential to emit for the affected emission unit(s), as well as the combined potential to emit for all 'Permitted Emission Units' associated with the source.
  - (B) The owner/operator is subject to all elections specified in the approved application, and any emissions controls used shall be equivalent or higher than those elected in Section 6 of the approved application. The owner/operator may contact the Department to request or submit modifications to the approved application.

(C) Emission Limits and Emission Control Requirements.

- (1) Emission units (EUs) 1-1, 1-2, 2-1, 2-2, 3-1, 3-2, 4-1, 4-2, 6-1, 7-1, and 8-1 shall comply with the emissions limitations for particulate matter (PM) set forth in Article 2, Section 20, paragraph (B).
- (2) The Boilers – EUs 1-1, 1-2, 2-1, 2-2, 3-1, 3-2, 4-1, and 4-2
  - (a) The owner/operator shall comply with all applicable emission limitations and emission control requirements set forth in 40 CFR 60, Subpart Dc.
  - (b) FGR shall be used as a control technique to reduce NO<sub>2</sub> emissions from the Boilers.
  - (c) The owner/operator is subject to the sulfur oxide (SO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) emission limitations set forth in the table below, and shall comply with the most stringent of these limits.

References	Emission Standards
Condition XVI	2.50 lbs SO <sub>x</sub> /MMBtu, maximum 2-hr average
40 CFR 60, Subpart Dc	0.50 lbs SO <sub>2</sub> /MMBtu, or ≤ 0.5 weight percent sulfur

- (d) The owner/operator is subject to all applicable emission limits and emission control requirements set forth in 40 CFR 63, Subpart JJJJJ (NESHAP for Industrial, Commercial, and Institutional Boilers Area Sources) and shall comply with the most stringent of these limits.
  - (3) The Emergency Generators – EUs 6-1, 7-1, and 8-1
    - (a) The owner/operator shall comply with the applicable emission limitations set forth in 40 CFR 60, Subpart IIII.
- (D) Operating and Monitoring Requirements and Limitations.

- (1) The source shall properly operate and maintain 'Permitted Emission Units' to comply with paragraph (C)(1) of this condition.
- (2) The Boilers – EUs 1-1, 1-2, 2-1, 2-2, 3-1, 3-2, 4-1, and 4-2
  - (a) The owner/operator shall comply with all applicable operating and monitoring requirements and limitations set forth in 40 CFR 60, Subpart Dc.
  - (b) The owner/operator shall comply with all applicable operating and monitoring requirements and limitations set forth in 40 CFR 63, Subpart JJJJJ.
  - (c) The boilers shall only combust natural gas and fuel oil (No. 1 or 2).
  - (d) Combustion of fuel oil (No. 1 or 2) shall be limited as follows:
    - (i) The maximum consumption rate shall not exceed 132 gal/hr for each EU: 1-2, 2-2, 3-2, and 4-2.
    - (ii) Combined fuel oil usage for EUs 1-2, 2-2, 3-2, and 4-2 shall not exceed 780,000 gallons per any twelve (12) consecutive calendar months. At no time during the first eleven (11) calendar months after startup shall the fuel usage exceeds 780,000 gallons.
  - (e) Consumption of natural gas shall be limited as follows:
    - (i) The maximum consumption rate shall not exceed 18.844 MMBtu/hr for each EU: 1-1, 2-1, 3-1, and 4-1.
    - (ii) Combined fuel usage for EUs 1-2, 2-2, 3-2, and 4-2 shall not exceed 660,293,760 standard cubic feet (scf) per any twelve (12) consecutive calendar months. At no time during the first eleven (11) calendar months after startup shall the fuel usage exceeds 660,293,760 scf.
  - (f) The owner/operator shall utilize a Flue Gas Recirculation system (FGR) to reduce NO<sub>2</sub> emissions from the Boilers when in operation at all times.

- (g) The owner/operator shall demonstrate ongoing compliance with the SO<sub>2</sub> emission limit in paragraph (C)(2)(c) by performing and maintaining records of a one-time emission rate calculation using emission factor(s) for the type(s) of fuel specified in the approved application, or as required in the applicable federal rule.
  - (3) The Cooling Towers – EUs 5-1 and 5-2
    - (a) The owner/operator shall maintain drift loss from the cooling towers in accordance with manufacturer specifications.
    - (b) The Total Dissolved Solids (TDS) concentration from each cooling tower shall be monitored and measured when in operation.
  - (4) The Emergency Generators – EUs 6-1, 7-1, and 8-1
    - (a) The owner/operator shall comply with all applicable operating and monitoring requirements and limitations set forth in 40 CFR 60, Subpart IIII and 40 CFR 63, Subpart ZZZZ.
    - (b) Each emergency generator is limited to 350 operating hours per any period of twelve (12) consecutive calendar months.
    - (c) Each emergency generator shall be equipped with a non-resettable hour meter to demonstrate compliance with the requirement set forth in paragraph (D)(4)(b) of this condition. The hourly meter shall be properly installed, calibrated, operated, and maintained in accordance with the manufacturer's instructions.
    - (d) The sulfur content of fuel combusted in the emergency generators shall not exceed fifteen parts per million (15 ppm) by weight. The fuel shall meet one of the following:
      - (i) Minimum cetane index of forty (40); or
      - (ii) Maximum aromatic content of thirty-five percent (35%) by volume.
    - (e) The owner/operator shall operate the emergency generator in accordance with the manufacturer's instructions.
  - (5) The owner/operator shall operate the 'Permitted Emission Units' in accordance with the manufacturer's specifications. At all times, including periods of startup, shutdown, and malfunction, the owner/operator shall, to the extent practicable, maintain and operate the 'Permitted Emission Units' in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Department which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.
- (E) Reporting and Recordkeeping Requirements.
- (1) The Boilers – EUs 1-1, 1-2, 2-1, 2-2, 3-1, 3-2, 4-1, and 4-2
    - (a) The owner/operator shall comply with all applicable reporting and recordkeeping requirements set forth in 40 CFR 60, Subpart Dc.
    - (b) The owner/operator shall comply with all applicable reporting and recordkeeping requirements set forth in 40 CFR 63, Subpart JJJJJ.
    - (c) The owner/operator shall keep records of the type of fuel combusted to demonstrate compliance with paragraph (D)(2)(c) of this condition.
    - (d) The owner/operator shall keep records of the amount of fuel (natural gas and fuel oil) combusted to demonstrate compliance with paragraphs (D)(2)(d)-(e) of this condition.

- (e) The owner/operator shall keep records of a fuel supplier certification to show compliance demonstration with the SO<sub>2</sub> limit set forth in paragraph (C)(2)(c)(C)(2)(d) of this condition. Records shall be kept in compliance with 40 CFR 60, Subpart Dc.
  - (2) The Cooling Towers – EUs 5-1 and 5-2
    - (a) The owner/operator shall keep the manufacturer's specification of the cooling tower that shows the drift loss on-site for the operating life of the cooling tower.
    - (b) The owner/operator shall keep all records of TDS concentration monitored and measured in the cooling tower water.
  - (3) The Emergency Generators – EUs 6-1, 7-1, and 8-1
    - (a) The owner/operator shall comply with all applicable reporting and recordkeeping requirements set forth in 40 CFR 60, Subpart IIII and 40 CFR 63, Subpart ZZZZ.
    - (b) The owner and operator shall keep onsite records of the hours of operation of each emergency generator.
  - (4) The owner/operator shall maintain records of operation and maintenance of the 'Permitted Emission Units', to include the following:
    - (a) Records documenting when routine maintenance and preventive actions were performed, with a description of the maintenance and/or preventive action performed.
    - (b) Records documenting equipment failures, malfunctions, or excess visible emissions. Records shall include the time of each occurrence, corrective action(s) taken, and when corrections were made.
  - (5) The owner/operator must maintain a copy of the permit and of the letter of transmittal on-site. A copy of the permit must also be kept on file at the company's main or corporate office. A copy of the permit must be placed on file at each of the aforementioned locations no later than fourteen (14) calendar days after the date of receipt of the letter of transmittal.
  - (6) All records of required monitoring information shall include the following:
    - (a) The date and place as defined in the permit, and time of sampling or measurements;
    - (b) The date(s) analyses were performed;
    - (c) The company or entity that performed the analyses;
    - (d) The analytical techniques or methods used;
    - (e) The results of such analyses; and
    - (f) The operating conditions existing at the time of sampling or measurement.
  - (7) The owner/operator shall retain records of all required monitoring data, reports, and support information required by this permit for a period of at least sixty (60) months from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. These records shall be readily accessible and made available for inspection upon request by the Department.
  - (8) In accordance with the requirements set forth under Condition XI of this permit, the owner/operator shall report emissions associated with the 'Permitted Emission Units' on an annual basis. This report shall be submitted no later than March 31<sup>st</sup> of each year.
- (F) Performance Testing and Notification Requirements.
- (1) The owner/operator shall submit notification(s) to the Department as required by Condition XX of this permit.

- (2) The owner/operator of the source shall notify the Department of the actual date of anticipated initial startup of each independently operable emission unit, process, or group of equipment or emission units, and said notification shall be postmarked not more than sixty (60) days nor less than thirty (30) days prior to such date.
- (3) The Boilers – EUs 1-1, 1-2, 2-1, 2-2, 3-1, 3-2, 4-1, and 4-2
  - (a) The owner/operator is subject to all applicable performance testing requirements set forth in 40 CFR 60, Subpart Dc for the Boilers.
  - (b) The owner/operator is subject to all applicable performance testing requirements set forth in 40 CFR 63, Subpart JJJJJ for the Boilers.
  - (c) The owner/operator shall use a fuel certification from the fuel supplier to demonstrate compliance with the SO<sub>2</sub> limits set forth in paragraph (C)(2)(c) of this condition.
- (4) The Emergency Generators – EUs 6-1, 7-1, and 8-1
  - (a) The owner/operator shall comply with all applicable performance testing and notification requirements set forth in 40 CFR 60, Subpart IIII and 40 CFR 63, Subpart ZZZZ.
- (G) Other Requirements.
  - (1) The owner/operator shall not make any modifications to any of the 'Permitted Emission Units' and/or associated equipment that may increase emissions without receiving written approval from the Department.
  - (2) Any control or monitoring equipment that may be necessary for compliance with the LLCAPCPRS or any similar requirements of the Federal EPA shall be installed within the time period or by the date specified in the applicable rule or regulation.
  - (3) Any modification of the operational and/or construction permit application documents must have prior approval from the Department. The source shall provide all necessary information to validate the modification, including, but no limited to, additional engineering, modeling, and ambient air quality studies.

**END OF PERMIT CONDITIONS**

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